



## Treatment of Title IV Funds When a Student Withdraws from a Credit Hour Program

Student's Name Penny Jones Social Security Number Case Study 3-2

Date Form Completed    /    /    Date of the institution's determination that the student withdrew 10 / 13 /

Period used for calculation (check one) ☒ payment period ☐ period of enrollment

Monetary amounts should be in dollars and cents (rounded to the nearest penny). Round to three decimal places when calculating percentages. For example, .4486 would be .449, or 44.9%.

### STEP 1: Student's Title IV Aid Information

	Net Amount Disbursed	Net Amount That Could Have Been Disbursed	Amount Disbursed	Amount That Could Have Been Disbursed
1. Unsubsidized FFEL/Direct Stafford Loan				
2. Subsidized FFEL/Direct Stafford Loan				
3. Perkins Loan				
4. FFEL/Direct PLUS				
5. Pell Grant			<u>\$1,562.50</u>	
6. FSEOG			<u>\$ 750.00</u>	
7. Other Title IV programs*			<u>\$ 500.00</u>	

\*Do not include FWS.

A. Total Title IV aid disbursed (NOT aid that could have been disbursed) for the payment period or period of enrollment A \$ 2,812.50

B. Total of Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment B \$ 2,812.50

### STEP 2: Percentage of Title IV Aid Earned

C. • If school is not required to take attendance and student withdrew without notification, enter 50% in Box C and proceed to Step 3 OR school may enter a last date of attendance at an academically-related activity for "withdrawal date" and proceed from there.

• Withdrawal date 10 / 13 / Payment period/period of enrollment start date 8 / 23 / end date 12 / 10 /

• Percentage of payment period or period enrollment completed

Determine the calendar days completed in the payment period or period of enrollment divided by the total calendar days in the payment period or period of enrollment (exclude scheduled breaks of 5 days or more AND days that a student was on approved leaves of absence).

$$\frac{\boxed{52} \text{ completed days}}{\boxed{101} \text{ total days}} = \boxed{51.5} \%$$

If this amount is less than or equal to 60%, enter this amount in Box C. If this amount is greater than 60% (with or without rounding), enter 100% in Box C.

C 51.5%

### Step 3: Amount of Title IV Aid Earned by the Student

D. Percentage of Title IV aid earned (Box C) x the total of Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment (Box B)

$$\frac{\boxed{51.5\%}}{\text{Box C}} \times \frac{\boxed{\$ 2,812.50}}{\text{Box B}} = \text{D} \quad \boxed{\$ 1,448.44}$$

### Step 4: Total Title IV Aid to be Disbursed or Returned

If the amount in Box D is greater than the amount in Box A, go to item E. If the amount in Box A is greater than the amount in Box D, go to item F. **If the amounts in Boxes A and D are equal, STOP. No further action is necessary.**

E. **Post-withdrawal disbursement.** Subtract Title IV aid disbursed for the payment period or period of enrollment (Box A) from the amount of Title IV aid earned (Box D). This is the amount of the post-withdrawal disbursement due. Stop here and go to the post-withdrawal disbursement tracking sheet.

$$\frac{\boxed{\phantom{0000}}}{\text{Box D}} - \frac{\boxed{\phantom{0000}}}{\text{Box A}} = \text{E} \quad \boxed{\$ \phantom{0000} .}$$

F. **Title IV aid to be returned.** Subtract the amount of Title IV aid earned (Box D) from Title IV aid disbursed for the payment period or period of enrollment (Box A). This is the amount of Title IV aid that must be returned.

$$\frac{\boxed{\$ 2,812.50}}{\text{Box A}} - \frac{\boxed{\$ 1,448.44}}{\text{Box D}} = \text{F} \quad \boxed{\$ 1,364.06}$$

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**STEP 5: Amount of Unearned Title IV Aid Due from the SCHOOL**

G. Institutional charges for the payment period or period of enrollment

Tuition and Fees \$1,000.00 Board \_\_\_\_\_ Other \_\_\_\_\_  
Room \_\_\_\_\_ Other \$400.00 Other \_\_\_\_\_  
Total Institutional Charges **G** \$ 1,400.00

H. Percentage of Title IV aid unearned (100% - Box C) **H** 48.5%

I. Multiply institutional charges for the payment period or period of enrollment (Box G) times the percentage of Title IV aid unearned (Box H).

\$1,400.00 X 48.5% = **I** \$ 679.00  
Box G Box H

J. Compare the amount of Title IV aid to be returned (Box F) to Box I and enter the lesser amount. **J** \$ 679.00

**STEP 6: Return of Funds by the SCHOOL**

The school must return the unearned aid for which the school is responsible (Box J) by repaying funds to the following sources, in order, up to the total net amount disbursed from each source.

Amount for School to Return	Amount for School to Return
1. Unsubsidized FFEL/Direct Stafford Loan _____	5. Pell Grant <u>\$679.00</u>
2. Subsidized FFEL/Direct Stafford Loan _____	6. FSEOG _____
3. Perkins Loan _____	7. Other Title IV programs _____
4. FFEL/Direct PLUS _____	

**STEP 7: Initial Amount of Unearned Title IV Aid Due from the STUDENT**

K. Subtract the amount of Title IV due from the school (Box J) from the amount of Title IV to be returned (Box F).

\$1,364.06 - \$679.00 = **K** \$ 685.06  
Box F Box J

**STEP 8: Return of Funds by the STUDENT**

The student (or parent for a PLUS loan) must return unearned aid for which the student is responsible (Box K) by repaying funds to the following sources, in order, up to the total net amount disbursed from each source, after subtracting the amount the school will return. Amounts to be returned to grants are reduced by 50%.

Amount for Student to Return	Initial Amount to Return	Amount for Student to Return
1. Unsubsidized FFEL/Direct Stafford Loan* _____	5. Pell Grant <u>\$685.06</u> x 50% = <u>\$342.53</u>	
2. Subsidized FFEL/Direct Stafford Loan* _____	6. FSEOG _____ x 50% = _____	
3. Perkins Loan* _____	7. Other Title IV programs _____	
4. FFEL/Direct PLUS* _____	(x 50% for grant funds)	

\*Loan amounts are returned in accordance with the terms of the promissory note. No further action is required other than notification to the holder of the loan of the student's withdrawal date.